

24 FEB 1978

MEMORANDUM FOR: Chief, Plans and Programs Staff, OL
FROM:
Chief, Supply Division, OL
SUBJECT: Review of Proposed Charter Legislation

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Bob:

1. Comparison of Section 8 with the proposed legislation reveals that many of the provisions of Section 8 have been carried over into the new legislation; however, many additional restrictions have been imposed which could seriously impair our ability to function. Some of these specific examples are:

a. Section 139, Title I requires that the Attorney General must approve procedures whenever Agency sponsorship is concealed when procuring goods or services from a private company.

b. Section 422(b) implies that the DCI must report to the various intelligence committees in each instance that procurement action is made outside of the provisions of Chapter 137, Title 10, United States Code. This provision will be extremely difficult to live with.

2. In addition to the specific restrictions cited above, we can find no authority for other Government agencies to provide logistical services to us, such as, procurement of the items in our behalf, permitting us to use their transportation facilities, and providing us with Government bills of lading. Also, there is no authority to transfer excess materiel to foreign governments. Although these points were not covered specifically in previous legislation, we feel that because of the stringent oversight we are now experiencing and will continue to experience, these points should be spelled out in any new legislation.



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